

House File 153 - Introduced

HOUSE FILE 153

BY FISHER

A BILL FOR

1 An Act creating a vacant school building demolition grant
2 program and fund and making appropriations.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 15.263 Vacant school building
2 demolition grant program — fund.

3 1. A vacant school building demolition grant fund is created
4 in the state treasury under the control of the authority. The
5 fund shall consist of moneys appropriated to the authority for
6 deposit in the fund and any other moneys that are lawfully
7 available to the authority. There is appropriated from the
8 rebuild Iowa infrastructure fund for deposit in the vacant
9 school building demolition grant fund, for each fiscal year
10 beginning on or after July 1, 2023, but on or before July 1,
11 2025, the sum of two million dollars.

12 2. Moneys in the vacant school building demolition grant
13 fund are appropriated to the authority for purposes of funding
14 a grant program for the demolition of vacant buildings owned
15 by a political subdivision of this state or proposed to be
16 acquired by a political subdivision of this state that were at
17 any time previously used as school attendance centers or school
18 administration buildings, but which are no longer used for any
19 political subdivision purpose.

20 3. Notwithstanding section 12C.7, subsection 2, interest
21 or earnings on moneys deposited in the vacant school building
22 demolition grant fund shall be credited to the vacant school
23 building demolition grant fund. Notwithstanding section 8.33,
24 moneys credited to the vacant school building demolition grant
25 fund shall not revert at the close of a fiscal year. However,
26 if the authority receives no qualifying applications for three
27 consecutive years, the moneys in the vacant school building
28 demolition grant fund shall be transferred for deposit in the
29 rebuild Iowa infrastructure fund.

30 4. The authority may use not more than five percent of
31 the moneys in the fund at the beginning of the fiscal year
32 for purposes of administrative costs, finance, compliance,
33 marketing, and program support.

34 5. a. The authority shall provide grants under this
35 section using a competitive scoring process. Grants shall not,

1 however, be awarded to political subdivisions with a population
2 that exceeds two thousand five hundred. The authority
3 may require a local match from a political subdivision
4 participating in the program, which may be in a form other than
5 cash and may be for costs of the project other than demolition.
6 Grants may be awarded for up to the total demolition cost of
7 the project. However, the minimum amount of any grant awarded
8 under the program shall be fifty percent of the project's
9 demolition cost and the authority shall seek to provide
10 higher percentages to political subdivisions with the lowest
11 populations as compared to other grant applicants.

12 *b.* In providing grants under this section, the authority
13 shall coordinate with the political subdivision to develop a
14 plan for the use of grant funds that is consistent with the
15 community development, housing, or economic development goals
16 of the political subdivision.

17 *c.* In providing grants under this section, the authority
18 shall coordinate with the political subdivision to ensure that
19 the condition and use of the property following demolition is
20 consistent with the property's surroundings, including for
21 future new construction, park space, or agricultural use.

22 *d.* The political subdivision shall not be required to sell
23 the property after demolition as a condition of the grant.
24 However, if the property is sold by the political subdivision
25 following demolition, proceeds from sale of the property,
26 following subtraction of the political subdivision's costs
27 related to the demolition, including costs to acquire the
28 property if applicable, shall be paid to the authority for
29 deposit in the vacant school building demolition grant fund.

30 6. The authority shall submit a report to the general
31 assembly and the governor's office on or before January 31 of
32 each year, describing the results of the program implemented
33 pursuant to this section and making recommendations for
34 additional program changes.

35

EXPLANATION

1 The inclusion of this explanation does not constitute agreement with
2 the explanation's substance by the members of the general assembly.

3 This bill creates a vacant school building demolition
4 grant program to be administered by the economic development
5 authority for the demolition of vacant buildings owned by a
6 political subdivision of this state or proposed to be acquired
7 by a political subdivision of this state that were at any
8 time previously used as school attendance centers or school
9 administration buildings, but which are no longer used for any
10 political subdivision purpose.

11 The bill creates a vacant school building demolition
12 grant fund in the state treasury under the control of the
13 authority. The fund shall consist of moneys appropriated to
14 the authority and any other moneys that are lawfully available
15 to the authority. The bill appropriates from the rebuild
16 Iowa infrastructure fund for deposit in the vacant school
17 building demolition grant fund, for each fiscal year beginning
18 on or after July 1, 2023, but on or before July 1, 2025, \$2
19 million. Interest or earnings on moneys deposited in the
20 vacant school building demolition grant fund shall be credited
21 to the vacant school building demolition grant fund and moneys
22 credited to the vacant school building demolition grant fund
23 shall not revert at the close of a fiscal year. If, however,
24 the authority receives no qualifying applications for three
25 consecutive years, the moneys in the vacant school building
26 demolition grant fund shall be transferred for deposit in the
27 rebuild Iowa infrastructure fund.

28 The authority is required to provide grants using a
29 competitive scoring process. Grants shall not, however, be
30 awarded to political subdivisions with a population that
31 exceeds 2,500. The authority may require a local match from
32 a political subdivision participating in the program, which
33 may be in a form other than cash and may be for costs of the
34 project other than demolition. Grants may be awarded for
35 up to the total demolition cost of the project. However,

1 the minimum amount of any grant awarded under the program
2 shall be 50 percent of the project's demolition cost and the
3 authority shall seek to provide higher percentages to political
4 subdivisions with the lowest populations as compared to other
5 grant applicants. The authority is also required to coordinate
6 with each political subdivision to develop a plan for the
7 use of grant funds that is consistent with the community
8 development, housing, or economic development goals of the
9 political subdivision and to ensure that the condition and use
10 of the property following demolition is consistent with the
11 property's surroundings.

12 The political subdivision shall not be required to sell
13 the property after demolition as a condition of the grant.
14 However, if the property is sold by the political subdivision
15 following demolition, proceeds from sale of the property,
16 following subtraction of the political subdivision's costs
17 related to the demolition, including costs to acquire the
18 property if applicable, shall be paid to the authority for
19 deposit in the vacant school building demolition grant fund.

20 Under the bill, the authority may use not more than 5 percent
21 of the moneys in the fund at the beginning of the fiscal year
22 for purposes of administrative costs, finance, compliance,
23 marketing, and program support.

24 The authority is required to submit a report to the general
25 assembly and the governor's office on or before January 31 of
26 each year, describing the results of the program implemented
27 pursuant to this section and making recommendations for
28 additional program changes.